

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1127 - SB 1381**

February 19, 2021

**SUMMARY OF BILL:** Establishes various requirements for homeowner's associations (HOAs) and HOA members concerning long-term rental properties.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumption:

- The proposed legislation concerns transactions and covenants between private parties; therefore, any fiscal impact to state and local government is estimated to be not significant.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumptions:

- The proposed language:
  - Requires HOAs to provide specific information regarding amendments to HOA covenants regarding long-term rental properties;
  - Establishes that property owners subject to an amended HOA declaration which prohibits long-term rental properties has a vested right to continue using the property as such until the property is transferred to a new owner; and
  - Requires businesses who own residential property subject to HOA declaration to provide certain notice to HOAs.
- The proposed language will not result in any significant impact to jobs or commerce in Tennessee.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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